

CHAPTER CXLII.

A SUPPLEMENT

To an act, entitled "An act regulating banks."

WHEREAS by the eighteenth section of an act passed on the twenty first day of March one thousand eight hundred and fourteen, entitled "An act regulating banks," it is enacted that if it shall appear that the charters and privileges by the said act granted to any of the banks therein mentioned are injurious to the citizens of this commonwealth, the legislature shall have full power to revoke and annul them or any of them at any time they may think proper.

Therefore,

SECT. 1. *BE it enacted by the Senate and House of Representatives of the Commonwealth of Pennsylvania in General Assembly met, and it is hereby enacted by the authority of the same,* That from and after the first day of August one thousand eight hundred and nineteen, if any bank incorporated by the act of the twenty-first of March one thousand eight hundred and fourteen, entitled "An act regulating banks," shall refuse to pay in the legal coin of the United States any notes issued by said bank, and made payable on demand, the charter of such bank so refusing to pay shall be absolutely null and void and of no effect whatsoever, except that such bank shall be liable in its corporate capacity for the fulfilment of all contracts and agreements previously made and entered into by said bank, and the stockholders thereof shall have power to elect directors as usual, and be capable of compelling the fulfilment of any contract entered into with said bank previously to the said refusal of payment: *Provided,* That nothing in this act shall be so construed as to prevent any banking company whose charter may become forfeited under the provisions of this act, from continuing or renewing the notes or obligations of those who may be indebted to them as occasion may require.

When the charters of certain banks shall become void.

Exceptions thereto.

Proviso.

SECT. 2. *And be it further enacted by the authority aforesaid,* That upon the refusal of any of the aforesaid banks to pay their notes in the legal coin of the United States as aforesaid, it shall and may be lawful for the holder of any note or notes so refused to be paid and redeemed, to make application in writing to any judge of the court of common pleas of the county in which such bank is situated, to allow him or her to make proof of such refusal on oath or affirmation by at least one disinterested witness before said judge, whose duty it shall be to reduce the same to writing, and to transmit the same forthwith to the Governor, except the holder or holders of such note or notes or any person or per-

Mode of proceeding by the holder of a note or notes, on a refusal to pay specie.

cons for whose benefit the same shall be presented, shall have been and is at the time of presenting the same a broker or dealer in the sale and exchange of bank notes, or a person habitually in the practice of receiving or buying the same at a sum less than their nominal value, which shall be ascertained by the oath of the party applying as above to the judge, and by the testimony of disinterested witnesses: *Provided always*, That the president or cashier of the said bank shall in all cases have ten days notice of the time and place of making such proof as aforesaid, and of rebutting the same by testimony.

Proviso.

SECT. 3. *And be it further enacted by the authority aforesaid*, That it shall be the duty of the Governor immediately on the receipt of the written proof specified in the second section of this act, to issue his proclamation declaring the charter of such bank null and void and of no effect whatsoever, except for the purpose of paying and collecting their debts and of continuing and renewing their notes and obligations as provided in the first section of this act.

Duty of the Governor to declare the charter void by proclamation.

SECT. 4. *And be it further enacted by the authority aforesaid*, That the forfeiture of the charter of any bank under the operation of this act, shall be deemed to have taken effect from the date of the Governor's proclamation declaring the same.

Date of forfeiture.

SECT. 5. *And be it further enacted by the authority aforesaid*, That if any of the banks whose charters shall have been declared void as aforesaid, shall in violation of the provisions of this act issue its own notes, the directors consenting to the same shall each in his individual capacity be liable for the payment of the same, and if any new loan or dividend be made or declared, the directors consenting to the same shall be liable each in his individual capacity to pay the amount thereof to any person or persons holding notes of the bank or having deposits therein to an equal amount who shall first sue for the recovery of the same.

Penalty on banks continuing to issue their notes, or making new loans or dividends.

SECT. 6. *And be it further enacted by the authority aforesaid*, That from and after the first day of August next, whenever the holder of any note issued by any bank established by any act of the legislature and made payable on demand, shall present the same for payment at the bank by which it was issued, and the payment thereof in specie shall be refused, it shall be the duty of the president or cashier of said bank, and he is hereby required to make at the same time an indorsement on said note setting forth the day and year when the payment thereof was demanded, and to subscribe his name thereto, and from thenceforth the said note shall bear an interest of six per cent. per annum; and in case the president or cashier of any bank shall neglect or refuse to make an indorsement at the time and in the manner hereinbefore required upon any note issued by such bank the payment whereof in specie shall have been refused as aforesaid,

Duty of president and cashier to endorse a note for which specie is refused.

Penalty for not making such indorsement.

Proviso.

he shall forfeit and pay to the holder of such note the sum of twenty-five dollars to be recovered before any justice of the peace in the same manner as debts of like amount are or may be by law recoverable: *Provided*, That nothing in this act shall be construed to prevent any bank from redeeming its own notes with the notes of any other bank in whose behalf the same shall be presented for payment.

Restriction as to the time allowed to close their affairs.

SECT. 7. *And be it further enacted by the authority aforesaid*, That the time allowed by this act for the final close and settlement of the affairs of the said banks, shall not extend beyond the period to which the duration of their original charters was limited.

REES HILL, *Speaker of the House of Representatives.*

ISAAC WEAVER,
Speaker of the Senate.

APPROVED—the twenty-ninth day of March, one thousand eight hundred and nineteen.

WILLIAM FINDLAY.

CHAPTER CXLIII.

AN ACT

Regulating suits on promissory notes, and for taking stock in execution.

One or more persons liable may be included in one suit.

Statement to be filed, &c.

SECT. 1. *BE it enacted by the Senate and House of Representatives of the Commonwealth of Pennsylvania in General Assembly met, and it is hereby enacted by the authority of the same*, That it shall be lawful hereafter for any individual or body politic or corporate, holding a note, draft or bill of exchange endorsed by one or more endorsers, to include in any suit to be instituted for the recovery of any sum which may be due thereon to such holder, all and every person or persons liable for the payment thereof or any one or more of them, and such suit shall not alter or affect the legal responsibility of the defendants respectively to each other, in which suit the plaintiff by his agent or attorney, shall file a statement and proceed to judgment and recovery according to the provisions of an act of assembly, entitled "An act to regulate arbitrations and proceedings in courts of justice," passed twenty-first March one thousand eight hundred and six.

SECT. 2. *And be it further enacted by the authority aforesaid*, That the stock of any body corporate owned by any